

FISCAL IMPACT STATEMENT ON BILL NO. **H.3499, as Amended**

(Doc. No. Unknown)

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TO:	The Honorable Ronald P. Townsend, Chairperson, House Education and Public Works Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Harry Bell		
DATE:	April 11, 2005	SBD:	2005370

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AUTHOR:	House Education and Public Works Committee	PRIMARY CODE CITE:	59-10-10
SUBJECT:	Students Health and Fitness Act of 2005		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:  
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:  
See Below

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**BILL SUMMARY:**

House Bill 3499, as amended, would enact the Students Health and Fitness Act of 2005. Among other things, the Bill would require a student to physical education teacher ratio in the elementary schools of 500 to one by FY 2007-08. Each elementary school would designate a physical education teacher to be the Physical Education Director for the school, and an overall physical education school effectiveness score must be reported annually on the school report card.

**EXPLANATION OF IMPACT:**

There is a fiscal impact associated with numerous sections of this Bill. A synopsis of the impact associated with each section is summarized as follows.

59-10-15 – Requiring students in kindergarten through fifth grade to participate in instructional physical education by a certified physical education teacher would result the hiring of additional staff. The Bill requires a student to certified physical education teacher ratio of 700 to 1 beginning in FY 2005-06, a ratio of 600 to 1 beginning in FY 2006-07, and a ratio of 500 to 1 beginning in FY 2007-08. Average salary and fringe for a physical education specialist is estimated at \$50,800. The State Department of Education (SDE) anticipates the need for an additional 60 physical education specialist the first year, 140 the second year (cumulative) and 250 at full implementation (cumulative). Actual staffing needs could be more or less depending on local scheduling patterns of Physical Education classes. SDE notes that this staffing ratio may not result in all students receiving at least thirty minutes of physical education every other day, but should allow for 30 minutes of such instruction at least twice a week.

59-10-20 – SDE estimates assessment cost at \$400,000 annually to administer the Physical Education Assessment and report scores on the annual school reports card. Funding would allow SDE to assess one-third of schools with grades 2, 5, 8 and a high school each year.

59-10-30 – SDE estimates the need for \$64,812 in order to provide professional development assistance to those schools that do not meet the requirements of 59-10-10. This cost is associated with conducting training sessions for approximately 300 teachers annually. The estimate includes the cost of travel, supplies, materials, consultant fees, and substitute teacher pay.

59-10-40 – Providing training and resource a packet to each elementary physical education activity coordinator is estimated to cost \$10,230. This would also cover the cost of a one day training session for the coordinators. This would be a one time non-recurring cost.

59-10-200 – Average salary and fringe benefits for Licensed Practical Nurse (LPN) is estimated at \$30,300 annually. There are 625 elementary schools statewide. Therefore, if the General Assembly chose to appropriate funds for one LPN per elementary school the impact can be estimated at \$18,937,500 annually beginning in FY 2006-07.

**However, the impact on the General Fund of the State and/or Education Improvement Act funds is at the General Assembly's discretion since the Bill does not mandate a nurse in every elementary public school.**

59-10-320 – Conducting a pilot health education assessment in is estimated at \$400,000. Full implementation costs are estimated at \$1,600,000 maximum annually. In addition, SDE estimates the need for one project manager at \$88,000 to implement the requirements of this section. Membership dues for those entities that provide continuous updated nutrition and other information are estimated at \$12,000 annually. Therefore, the total associated with this section is estimated at \$500,000 the first year and \$1,700,000 annually thereafter.

59-10-330 & 340 – Existing federal funds in the amount of \$300,000 can be used to comply with the various requirements of these sections. Requirements include providing each school district with a coordinated school health model, notifying each district of the availability of professional development opportunities, and assisting with the development and maintenance of a Coordinate School Health Advisory plan for each school district. SDE indicates these federal funds are secure through 2008.

#### Recapitulation

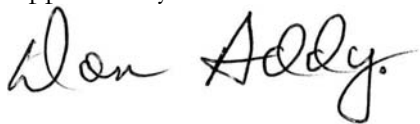
The impact on the General Fund of the State is at the General Assembly's discretion. This initiative could be funded with State General Funds, Education Improvement Act funds and/or a combination of these funds and local school district funds. The table below assumes the State would cover the cost for these specifically identified sections.

<b>Implementation Estimate</b>			
<b><u>Section</u></b>	<b><u>FY 2005-06</u></b>	<b><u>FY 2006-07</u></b>	<b><u>FY 2007-08</u></b>
59-10-10	\$3,048,000	\$7,112,000	\$12,700,000
59-10-20	\$400,000	\$400,000	\$400,000
59-10-30	\$64,812	\$64,812	\$64,812
59-10-40	\$10,230	\$0	\$0
59-10-200 *	\$0	\$18,937,500	\$18,937,500
59-10-320	\$500,000	\$1,700,000	\$1,700,000
59-10-330 & 340	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$4,023,042	\$28,214,312	\$33,802,312
Annual Increase		\$24,191,270	\$5,588,000
<b>* Maximum impact - one LPN for 625 elementary schools.</b>			

#### **SPECIAL NOTES:**

Schools and School Districts may incur additional cost associated with facility construction, renovations, equipment, and stipends.

Approved by:



Don Addy  
Assistant Director, Office of State Budget